

NEIL ABERCROMBIE  
GOVERNOR



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February 24, 2012

**MEMORANDUM**

TO: The Honorable Marcus R. Oshiro, Chair  
House Committee on Finance

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 1905, H.D. 2 - RELATING TO HUMAN SERVICES**

Hearing: Friday, February 24, 2012, 2:30 p.m.  
Room 308, State Capitol

**PURPOSE:** The purpose of this bill is to allow the Department of Human Services (DHS) to draw from other funds appropriated to DHS in the event the General Assistance (HMS 204) appropriation is insufficient to meet General Assistance benefits payments.

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) strongly supports this bill.

The general assistance program (HMS 204), pursuant to section 346-53(b), Hawaii Revised Statutes, is a block grant program. The maximum allowance a general assistance recipient may receive is determined by dividing the amount of the appropriation by the number of general assistance recipients. The DHS must adjust GA payments to remain within the GA appropriation when the caseload increases or decreases.

For fiscal year 2012, the payment level began at \$353, but due to caseload increases the benefit payment amount was reduced to \$319 in October 2011 and must be reduced further to \$275 in April 2012 to remain within the authorized appropriation. In prior years, payment had been reduced to as low as \$234 as caseloads increased. These reductions and fluctuations provide no stability to households who already live below poverty levels. Stopping the benefit payment or reducing the amount of the benefit payment for these individuals poses a real threat to the individuals' health and safety. It is also almost certain to trigger increased homelessness.

The DHS has requested an emergency appropriation for the current fiscal year to maintain the benefit amount at \$319 per month. To reduce the future need to request emergency appropriations for the GA program, the Department proposes to utilize, when needed, savings from other programs. This bill would allow the DHS to use savings in other programs of the Department to fund the shortfalls in the GA program due to caseload fluctuations.

Thank you for the opportunity to provide testimony on this bill.



## **HAWAII DISABILITY RIGHTS CENTER**

**1132 Bishop Street, Suite 2102, Honolulu, Hawaii 96813**

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### **THE HOUSE OF REPRESENTATIVES THE TWENTY-SIXTH LEGISLATURE REGULAR SESSION OF 2012**

#### **Committee on Finance Testimony in of Support of H.B.1905 , HD2 Relating To Human Services**

**Friday, February 24, 2012, 2:30 P.M.  
Conference Room 308**

Chair Oshiro, and Members of the Committee:

The Hawaii Disability Rights Center testifies in support of this bill. We do so, both as an organization that sees every day the struggles of the poor and disabled, as well as a member of the Department of Human Services Financial Assistance Advisory Council. As a member we have been briefed by the Department and we are aware of the shortfall that exists and the dire choices that will need to be made in the event that an the ability to draw down funds is not forthcoming. General assistance recipients already subsist on an allotment that is so low that it is virtually impossible to fathom how they can exist. The meager sum of \$319 per month will need to be reduced to a level of \$275 per month without the support that the Department of Human Services needs.

Reducing their benefits further merely increases the chances that they will become homeless or otherwise find themselves in a situation which will jeopardize their health and safety. It is our understanding as a member of the Financial Assistance Advisory Council that the Department plans to develop a budget that will prevent the necessity of applying for an emergency appropriation in the future. However, to the extent that these funds are crucial right now , it is imperative that the legislature step in and address this short term, temporary need.

Thank you for the opportunity to testify in support of this measure.





## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF HB 1905 HD2: RELATING TO HUMAN SERVICES

TO: Representative Marcus Oshiro, Chair, Representative Marilyn Lee, Vice Chair, and Members, Committee on Finance

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

**Hearing: Friday, 2/24/12, 2:30 pm; CR 308**

Chair Oshiro, Vice Chair Lee, and Members of the Committee on Finance:

Thank you for the opportunity to provide written testimony on HB 1905, which would allow the Department of Human Services to draw from other funds appropriated to the department to address the shortfall in the budget for the general assistance program. I am Betty Lou Larson, Legislative Liaison for housing and homelessness issues at Catholic Charities Hawaii. Catholic Charities Hawaii supports this bill.

Catholic Charities Hawaii remains very concerned about the possibility that many persons now on General Assistance will be forced into homelessness if their General Assistance payments are further reduced. This bill would give the department the flexibility to use savings from other programs as a stopgap measure to continue benefits, if the emergency appropriation in HB 2547 is insufficient to meet the need. HB 1905 is important since the department cannot control the number of new applicants who may need General Assistance. Already, a flood of new recipients has created this dilemma of the budget shortfall.

The benefit currently is hardly enough to pay rent even at subsidized housing or special housing such as clean and sober homes. The benefit has already been reduced in FY 2012 from \$353 down to \$319 currently. Without help from the legislature, the benefit will be further reduced to \$275 in April 2012. This reduction could force many recipients into homelessness. It would be much more costly to the State to have to provide homeless services to help these people regain housing, versus keeping them in housing with the General Assistance payments.

We urge you to support this bill to given the Department of Human to flexibility to resolve the current budget shortfall for the program and continue the General Assistance payments at a very minimal level.

Thank you for the opportunity to provide comments on HB 1905.

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, February 22, 2012 4:08 PM  
**To:** FINTestimony  
**Cc:** robertscottwall@yahoo.com  
**Subject:** Testimony for HB1905 on 2/24/2012 2:30:00 PM

Testimony for FIN 2/24/2012 2:30:00 PM HB1905

Conference room: 308  
Testifier position: Support  
Testifier will be present: Yes  
Submitted by: Scott Wall  
Organization: United Self Help  
E-mail: [robertscottwall@yahoo.com](mailto:robertscottwall@yahoo.com)  
Submitted on: 2/22/2012

### **Comments:**

We at United Self Help strongly support this bill and applaud the Department of Human Services for bringing the issue before the Legislature. We know that times are tough for everyone but that doesn't mean that we should take those in greatest needs, all too often for no reason of their own, and cast them starving into the gutter. Many employers have had to lay off their workers in the last four years. We all know that all too well. People are looking for work but unemployment in Hawai'i is still over 8%. That's one out of every twelve people and their families are out of work. Right now those individuals who have struck bottom are living on \$319 plus some food stamps. There is no where on Oahu that you can get even a room for \$319 a month. That means people are living on the street and in shelters. That means that they have no car, no phone, no answering machine, no laundry facilities, no shower, no alarm clock. In other words they have no way to look for work, no way for a prospective employer to call them, no way to dress up for an interview in clean clothes. We are leaving people with no way back out of poverty. No way to get off of public assistance in the brief time that we allow them to be on it. We could very well be dooming an underclass of people to a life of homelessness, recidivism, and a life which, were they animals, we would arrest their owners.

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 23, 2012 1:00 PM  
**To:** FINTestimony  
**Cc:** ajc@aloha.net  
**Subject:** Testimony for HB1905 on 2/24/2012 2:30:00 PM

Testimony for FIN 2/24/2012 2:30:00 PM HB1905

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Alike Campbell  
Organization: Individual  
E-mail: [ajc@aloha.net](mailto:ajc@aloha.net)  
Submitted on: 2/23/2012

**Comments:**

General assistance (GA) is vital resource for many of Hawaii's most needy and a reduction in benefits could cause an increase in homelessness. I strongly support the effort to find funding to maintain the level of GA payments.